

Dateline:

Labor & Workforce Development

A quarterly publication for employers from the Tennessee Department of Labor & Workforce Development
December 2005

Premium Table 4 likely

Based on current premium collections and benefit payments, the balance of the Unemployment Compensation Trust Fund is projected to be between \$600 million and \$675 million on December 31st. At this fund balance, Premium Table 4 will take effect on January 1, 2006.

The move to Table 4 will mean slightly higher premium rates for most experience-rated employers. Looking back, it is worth noting that during the first half of 2004 Premium Table 3 - with its higher rates - was in effect, and for the first half of 2003 Premium Table 2 (the second-highest rate table) was in effect. We like the trend we see and hope you are pleased by it as well.

Don't miss out on receiving 940 credit

Each December we remind employers of the importance of filing and paying your fourth quarter Premium and Wage Report by the January 31st due date so that full credit can be taken for your state unemployment insurance premium payments on your 940 Federal Unemployment (FUTA) Tax return. In addition to your fourth quarter report and payment, any amounts remaining due from previous quarters should be paid by January 31st in order to receive the full credit.

Source advisory focus: industry data needs

Strategic, functional, continuous improvement . . . not terms you would usually associate with labor market information. But in these times of rapid change for job seekers and employers, pushing the envelope in this direction makes sense for the Department and for Tennessee.

To gauge the winds of change and improve their products to meet the needs of customers, the Department of Labor and Workforce Development has worked with the Employment Security Research and Statistics Section to sponsor an active user Advisory Committee for its comprehensive Web site **The Source** (www.tennessee.gov/labor-wfd/source). **The Source** is a wealth of information compiled from results of the department's own surveys, education and training sources, census data, purchased employer lists, and other publicly available data.

Here is just a sample of the data available:

- Job listings, wages, job skills, abilities, outlook, and training requirements
- Employers by industry, occupation and area
- Educational programs, completers, and providers by area
- Area and industry profiles, and industry employment and trend information
- Easily accessed demographic data-population, income, commuting patterns

The Source Advisory Committee consists of key stakeholders in the success of the workforce development system in Tennessee, including Career Center personnel, educators at all levels, economic

development staff, chamber of commerce members, industry representatives, vocational rehabilitation staff, a workforce board member, and department administrators and staff. A new direction has been to go directly to industry and explore their information needs.

This past summer, 21 members of the committee toured the Nissan plant in Smyrna, hosted by Tracy Woodard, the state government relations liaison; Greg Kelly, the senior Human Resources director; and Greg Daniels, the senior vice president of Manu-facturing. In a discussion following the tour, Mr. Daniels and Mr. Kelly stressed the vital importance to Tennessee of increasing high school graduation rates. They emphasized the importance of teamwork and other skills such as maintaining relationships, negotiating, developing plans and priorities, reading comprehension, active listening, and active learning strategies.

These comments reinforced the findings of a new Research and Statistics labor market study that identifies these same critical skill and activity sets in growing industries in Tennessee. Another committee presentation by Brenda Gatlin of the Tennessee Hospital Association outlined critical shortages of training facilities and instructors in the health care area, using demand and supply data to support her point.

These conversations with industry will sharpen the labor market focus on information most needed by industry, to reinforce

(Continued on back)

The Source (Cont.)

what they are saying and to identify critical labor shortages and training needs that can be highlighted in **The Source**.

SUTA Dumping act to take effect

For the past couple of issues we have reported on the passage of SUTA Dumping legislation enacted to prevent some employers from manipulating the unemployment insurance system to obtain a lower premium rate. That legislation, which takes effect on January 1, 2006, requires mandatory transfers of employers' premium and benefit experience in certain situations and also provides for significant penalties for engaging in practices designed to avoid the proper calculation and assignment of an employer's premium rate.

You can call 615-741-2346 with any questions you may have about the act and its specific provisions.

New Record for TNPAWS Usage

TNPAWS, our Internet reporting service, continues to set new records for use. Last quarter, more than 24,000 Tennessee employers filed their Premium and Wage Reports via our TNPAWS system.

Here is a reminder: TNPAWS is accessed by entering <http://tnpaws.tnui.net/> in the Internet address field. **Do not** type "www" as part of the address; if you do, there is a chance you will get diverted to a Web site that purports to relate to unemployment insurance, but in fact does not.

Thanks again to all employers who are using TNPAWS for making it a big success.

New Handbook for Employers with 2005 Legislative Changes accessible to print from Internet

The revised **Handbook for Employers**, which includes the 2005 SUTA Dumping revisions and administrative changes through August 2005, is now available on the Internet to download or print. You will need the Adobe Acrobat Reader program to download the file in pdf format. The link for free Adobe Acrobat software, which only takes a few minutes to download, is <http://www.adobe.com/products/acrobat/readstep2.html>.

To download or print a copy, go to our website: www.state.tn.us/labor-wfd/ and

click the picture for Business and Employers on the left,

click Unemployment Benefits and Taxes,

scroll down and click Employer Services, and then

scroll down and click Employer Handbook, opening with Adobe.

A paper version of the **Handbook for Employers** will be available first quarter 2006.

Business setup process gets easier

Governor Bredesen recently announced a new online tool to help Tennessee's new businesses streamline the business set-up process.

The Tennessee One-Stop Business Resource (OSBR) combines the governor's focus on technology innovation and improved customer service and will offer a secure online service on the official State of Tennessee Web site, www.tennessee.gov. The OSBR allows new businesses to process applications with multiple state agencies, including the Tennessee Department of Labor & Workforce Development. The service will reduce time and costs and allow agencies to share information, thereby ensuring consistent business names and applications.

"More than 16,000 new businesses start up in Tennessee each year. The OSBR was created to help simplify the process of obtaining all the necessary documents needed," said Bredesen. "I want new business owners to have a trouble-free application process so they can focus their efforts on opening their doors and providing new jobs and economic growth in Tennessee communities."

The OBSR will offer several services, such as applying for an unemployment insurance employer account number; obtaining proper permits, licenses, certificates and tax numbers; the ability to search, select and reserve a business name; and informational links to specialty state divisions.

For a listing of other state agencies involved in the development of the OSBR, go to www.tennessee.gov.

Tennessee is the first state in the Southeast region to provide an online one-stop business resource for its citizens.

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www.tennessee.gov/labor-wfd

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